

TRANSMITTAL SLIP		DATE	1 DEC 1986
TO:		EA/DDA ATTN: Sue	
ROOM NO.	BUILDING		
7D 24	HQS		
REMARKS:			
<p>FYI 2 DEC, 1986</p> <p>Response to</p> <p>DDA 86-1808X</p> <p>EXA/DDA <i>JA</i> 3 DEC, 1986</p> <p>DDA/Registry</p>			
<p>As FROM: <del>SECRET</del> Dir. for Policy and Planning</p> <p>Office of Finance</p>			
	O.	BUILDING	EXTENSION
			615 Key Bldg

Central Intelligence Agency



Washington, D.C. 20505

Ms Donna M. Stright  
Director  
Regulations and Policy Division  
General Services Administration  
Washington, D.C. 20406

DD/A REGISTRY  
FILE: 30-13

Dear Ms. Stright:

We appreciate the opportunity to comment on the new per diem method. With the intent of drawing on the widest experiences over the past three months, we conducted an Agency-wide survey of administrative offices and travellers. On the whole the simplified per diem system has been very well received. The few difficulties with the system identified in Commissioner Gray's letter of 20 October have, indeed, been just the issues of greatest concern here in CIA.

#### Standard CONUS Rate

The present \$50.00 per diem allowance for unlisted locations is frequently inadequate. We heard few complaints about the M&IE portion, but the number of lodging accommodations actually available for \$25.00 per night is becoming smaller and smaller. As a consequence, to avoid substantial out-of-pocket expense, many travellers are forced to stay some distance from their duty point, resulting in lost productive time and increased expense for taxis and rental cars.

We support an increase to \$35.00 for the lodging portion of the standard CONUS per diem allowance. This will better meet the needs of our travellers and avoid further expansion of the listed locations, which we believe is already too long. We also believe such an increase will save the time and expense now involved in locating affordable accommodations before a trip.

#### Per Diem Computations

We find broad approval of the new per diem computation method. It is easier to administer and with only a few exceptions, it is viewed as equitable.

The issue of greatest single concern is the computation of per diem for the first and last days of travel. The simplicity of the half-day approach is compelling. However, the typical pattern for the large majority of our travellers requires full duty days on the first and last days. Therefore, we


find the present half-day convention unacceptable. Several alternatives were favored in varying degrees. Weighing the advantages of a flat rate against the needs of our travellers, we believe the best approach is a return to the quarter-day method for the first and last days. Although not as simple as the flat rate, this is a method which provides adequate allowance according to the needs of each traveller. It is not remunerative yet it is adequate. Just as important, it is perceived as equitable. Further, this method is already familiar to our employees and we believe it can be reinstituted with a minimum of administrative disruption.

Additional Locations to be Surveyed

We are generally satisfied with the localities now being surveyed. There are exceptions. Most will be adequately served by an increase of the standard allowance to \$60.00 (\$35 for lodging). In a few locations we find the existing rate (surveyed or standard) becomes inadequate at certain times of the year. We would like to see seasonal rates published in those locations where costs, especially lodging, are subject to substantial change at different times of the year.

I appreciate your efforts to keep the travel regulations responsive to the needs of this Agency. I note the series of travel memoranda distributed by you and Mr. Charles T. Angelo, and applaud your effort to communicate items of interest to us.

STAT

 William F. Donnelly  
Deputy Director  
for  
Administration